

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

In re

DELPHI CORPORATION, et al.,

Debtors.

Chapter 11

Case No. 05-44481 (RDD)  
(Jointly Administered)

**NOTICE OF RECLAMATION CLAIM**

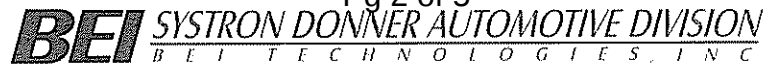
Please be advised that a Notice of Reclamation Claim on behalf of BEI Technologies, Inc. and BEI Sensors & Systems Company was served on October 13, 2005 on the Debtors and their attorneys of record, John K. Lyons, Esq. and Ron E. Meisler, Esq. of Skadden, Arps, Slate, Meagher & Flom LLP. A true and correct copy of the Notice of Reclamation Claim is attached hereto as Exhibit "A" and incorporated herein by reference for all purposes.

Dated: October 21, 2005

COOLEY GODWARD LLP

/s/ Robert L. Eisenbach III  
Robert L. Eisenbach III (CA State Bar #124896)  
Gregg S. Kleiner (CA State Bar #141311)  
101 California Street, 5<sup>th</sup> Floor  
San Francisco, CA 94111-5800  
Telephone: (415) 693-2000  
Facsimile: (415) 693-2222  
Email: [reisenbach@cooley.com](mailto:reisenbach@cooley.com)

Attorneys for Creditors  
BEI Technologies, Inc. and  
BEI Sensors & Systems Company



2700 Systron Drive ■ Concord, California 94518-1399 ■ Phone (925) 682-6161

October 13, 2005

**Via UPS Overnight and First Class Mail**

Mr. R. David Nelson  
Vice President, Global Supply Management  
Delphi Corporation  
World Headquarters  
5725 Delphi Drive  
Troy, Michigan 48098-2815

Delphi Automotive Systems LLC  
Attention: Supply Management  
5725 Delphi Drive  
Troy, Michigan 48098-2815

Delphi Energy & Chassis Systems  
Attention: Supply Management  
8 South Main Street  
Pleasant Hill, Ohio 45359

**Re: BEI Technologies, Inc.'s Demand for Reclamation of Goods pursuant to Uniform Commercial Code §2-702 and Bankruptcy Code §546(c)**

Dear Sirs:

We understand that Delphi Corporation *et. al.* (collectively "Debtors"), commenced bankruptcy proceedings on or about October 8, 2005. Therefore, as required by Section 546(c) of the Bankruptcy Code and in accordance with our rights under Section 2-702 of the Uniform Commercial Code, BEI Technologies, Inc. and its wholly owned subsidiary BEI Sensors & Systems Company (collectively "BEI") hereby provides this written demand for reclamation of all goods delivered by BEI to any of the Debtors or otherwise provided to any of the Debtors within the ten (10) day period between September 29, 2005 and October 8, 2005. The enclosed documentation provides summary details on the invoices covered by our reclamation demand that are available at this time. Complete copies of the underlying invoices are available should you need them. However, our demand is not limited to the goods covered by those invoices, as other invoices may be in process and not available at this time.

This letter is intended to provide the requisite written demand to any of the Debtors to preserve our reclamation rights as required by Section 2-702 of the Uniform Commercial Code and Bankruptcy Code Section 546(c).

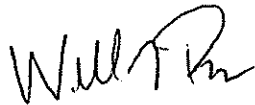
We would prefer to avoid the expense of immediate litigation, as it seems likely that there will be some bankruptcy court procedure instituted regarding reclamation claims, or that we may

otherwise work out a resolution of our reclamation claim, subject to Bankruptcy Court approval. Thus, we would propose that in consideration for BEI refraining, for the time being, from filing an adversary proceeding complaint for reclamation, and in order for both sides to avoid the time and expense of immediate litigation, the Debtors agree that they will not interpose as a defense in respect of BEI's reclamation claim either: (1) BEI's delay in pursuing an adjudication of its reclamation claim pursuant to this agreement, or (2) any sale or other disposition of the goods which are the subject of such claim which occurred or may occur after the date this reclamation demand is received by Debtors. Debtors would, of course, reserve any and all other defenses or objections that they may have with respect to such reclamation claim.

If such an agreement interests you, please confirm this agreement in writing, or acknowledge such agreement by executing below and faxing back your signature and returning the original to me by mail.

We appreciate your understanding and cooperation in this matter.

Sincerely,



William J. Bush  
Director of Finance

Enclosures

cc: Robert Eisenbach, Cooley Godward LLP  
John K. Lyons, Esq. sent via e-mail only JLYONSCH@skadden.com  
Ron E. Meisler, Esq. sent via e-mail only RMEISLER@skadden.com

Acknowledged and Agreed by:

Delphi Corporation

By: \_\_\_\_\_  
Its:

Internal Inv #	inv_dt	Age	invoice_amt	inv_due_dt	External Inv #	invoice_base_amt	inv_po_no
22394	09/26/2005 00:00:00	-16	4,762.80	10/26/2005 00:00:00	10309005-61	4,762.80	0J3G0000
22395	09/26/2005 00:00:00	-16	7,144.20	10/26/2005 00:00:00	10309205-55	7,144.20	0J3G0000
22396	09/26/2005 00:00:00	-16	9,525.60	10/26/2005 00:00:00	10308705-59	9,525.60	0J3G0000
22397	09/26/2005 00:00:00	-16	9,525.60	10/26/2005 00:00:00	10309305-67	9,525.60	0J3G0000
22398	09/26/2005 00:00:00	-16	2,859.30	10/26/2005 00:00:00	10309105-44	2,859.30	0J3G0003
22406	09/27/2005 00:00:00	-17	4,762.80	10/27/2005 00:00:00	10309005-62	4,762.80	0J3G0000
22407	09/27/2005 00:00:00	-17	9,525.60	10/27/2005 00:00:00	10309205-56	9,525.60	0J3G0000
22409	09/27/2005 00:00:00	-17	5,718.60	10/27/2005 00:00:00	10309105-45	5,718.60	0J3G0003
22410	09/27/2005 00:00:00	-17	9,525.60	10/27/2005 00:00:00	10308705-60	9,525.60	0J3G0000
22415	09/28/2005 00:00:00	-18	11,907.00	10/28/2005 00:00:00	10309205-57	11,907.00	0J3G0000
22416	09/28/2005 00:00:00	-18	108.00	10/28/2005 00:00:00	103012E05-18	108.00	460005298
22417	09/28/2005 00:00:00	-18	2,381.40	10/28/2005 00:00:00	10309005-64	2,381.40	0J3G0000
22418	09/28/2005 00:00:00	-18	5,718.60	10/28/2005 00:00:00	10309105-46	5,718.60	0J3G0003
22419	09/28/2005 00:00:00	-18	11,907.00	10/28/2005 00:00:00	10308705-61	11,907.00	0J3G0000
22425	09/29/2005 00:00:00	-19	11,907.00	10/29/2005 00:00:00	10309205-58	11,907.00	0J3G0000
22426	09/29/2005 00:00:00	-19	4,762.80	10/29/2005 00:00:00	10309005-65	4,762.80	0J3G0000
22427	09/29/2005 00:00:00	-19	9,525.60	10/29/2005 00:00:00	10308705-62	9,525.60	0J3G0000
22428	09/29/2005 00:00:00	-19	5,718.60	10/29/2005 00:00:00	10309105-47	5,718.60	0J3G0003
22429	09/29/2005 00:00:00	-19	2,381.40	10/29/2005 00:00:00	10309305-69	2,381.40	0J3G0000
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22448	10/03/2005 00:00:00	-22	11,907.00	11/02/2005 00:00:00	10309205-60	11,907.00	0J3G0000
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22466	10/04/2005 00:00:00	-23	5,718.60	11/03/2005 00:00:00	10309105-55	5,718.60	0J3G0003
22472	10/05/2005 00:00:00	-24	11,907.00	11/04/2005 00:00:00	10309205-62	11,907.00	0J3G0000
22473	10/05/2005 00:00:00	-24	7,144.20	11/04/2005 00:00:00	10309005-70	7,144.20	0J3G0000
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22478	10/05/2005 00:00:00	-24	11,907.00	11/04/2005 00:00:00	10308705-67	11,907.00	0J3G0000
22479	10/05/2005 00:00:00	-24	5,718.60	11/04/2005 00:00:00	10309105-59	5,718.60	0J3G0003
22486	10/06/2005 00:00:00	-25	11,907.00	11/05/2005 00:00:00	10309205-63	11,907.00	0J3G0000
22487	10/06/2005 00:00:00	-25	4,762.80	11/05/2005 00:00:00	10309005-71	4,762.80	0J3G0000
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22490	10/06/2005 00:00:00	-25	5,718.60	11/05/2005 00:00:00	10309105-60	5,718.60	0J3G0003
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22499	10/07/2005 00:00:00	-26	8,577.90	11/06/2005 00:00:00	10309105-61	8,577.90	0J3G0003
22500	10/07/2005 00:00:00	-26	9,525.60	11/06/2005 00:00:00	10309305-77	9,525.60	0J3G0000
22501	10/07/2005 00:00:00	-26	2,381.40	11/06/2005 00:00:00	10309005-72	2,381.40	0J3G0000
22503	10/07/2005 00:00:00	-26	11,907.00	11/06/2005 00:00:00	10309205-64	11,907.00	0J3G0000
			387,830.70				387,830.70

**CERTIFICATE OF SERVICE**

I, Kris Tsao Cachia, hereby declare:

I am employed in the City of San Francisco, County of San Francisco, California in the office of a member of the bar of this court at whose direction the following service was made. I am over the age of eighteen years and not a party to the within action. My business address is Cooley Godward LLP, 101 California Street, 5<sup>th</sup> Floor, San Francisco, California 94111-5800.

On October 21, 2005, I served the foregoing document(s) described as:

**Notice of Reclamation Claim**

on the interested parties in this action by placing a true copy(ies) thereof, on the above date, enclosed in sealed envelopes for service and prepared for processing as described below, and addressed and served in the manner indicated on the attached service list:

Counsel for the Debtors

John Wm. Butler Jr., Partner  
John K. Lyons, Partner  
Ron E. Meisler, Associate  
Skadden, Arps, Slate, Meagher & Flom LLP  
333 West Wacker Drive, Suite 2100  
Chicago, IL 60606

Counsel for the Debtors

Kayalyn A. Marafioti, Partner  
Thomas J. Matz, Counsel  
Skadden, Arps, Slate, Meagher & Flom LLP  
Four Times Square  
New York, NY 10036

Counsel to Creditors' Committee

Robert J. Rosenberg, Partner  
Latham & Watkins LLP  
885 Third Avenue, Suite 1000  
New York, NY 10022-4834

United States Trustee

Deirdre A. Martini  
U.S. Department of Justice  
Office of the United States Trustee  
33 Whitehall Street, 21st Floor  
New York, NY 10004-2111

XX (BY FIRST CLASS MAIL) I am personally and readily familiar with the business practice of Cooley Godward LLP for collection and processing of correspondence for mailing with the United States Postal Service, pursuant to which mail placed for collection at designated stations in the ordinary course of business is deposited the same day, proper postage prepaid, with the United States Postal Service.

\* \* \* \* \*

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct, and that this declaration was executed on October 21, 2005 at San Francisco, California.

\_\_\_\_\_  
/s/ Kris Tsao Cachia  
Kris Tsao Cachia